

- 1 99A7MM-1
- 2 By Representatives Drummond, Hollis, Lawrence, Warren,
- 3 Blackshear, McClammy, Gray, Travis, Easterbrook, Fincher,
- 4 Hill, Jackson, Tillman, Plump, Jones, Bracy, Hassell, Butler,
- 5 Gidley, Lamb, Givens, Holk-Jones, Estes, Faulkner, Baker,
- 6 Pringle, Ingram, Sellers, Yarbrough, Shaw, Morris, Rogers,
- 7 Lipscomb, Hurst, DuBose, Wood (D), Pettus, Marques, Sorrells,
- 8 Smith, Stringer, Kitchens, Colvin, Woods, Treadaway, Ellis,
- 9 Hulsey, Wood (R), Rehm, Brown, Robertson, Starnes, McCampbell,
- 10 Whitt
- 11 RFD: Boards, Agencies and Commissions
- 12 First Read: 13-Apr-23



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SYNOPSIS:

Under existing law, the Alcoholic Beverage

Control (ABC) Board regulates and enforces the sale of
tobacco, tobacco products, alternative nicotine

products, and electronic nicotine delivery systems.

Under existing law, to assist with the enforcement of the laws prohibiting sales to a minor, an individual under 21 years of age may operate under the supervision of a law enforcement officer to attempt to purchase tobacco products, alternative nicotine products, and electronic nicotine delivery systems. The minor is prohibited from misrepresenting his or her age to the retail licensee.

This bill would revise the definition of "electronic nicotine delivery system" to include delivery of substances other than tobacco.

This bill would prohibit the minor from using a fake or forged identification and would require the minor to present his or her true identification when requested by the retail licensee.

This bill would further provide for the distribution of tobacco products through a vending machine.

Under existing law, there is no fee for a permit to distribute tobacco, tobacco products, electronic





nicotine delivery systems, or alternative nicotine products.

This bill would require a one-time application fee and an annual permit fee for the distribution of those products.

Under existing law, the board may assess a permit holder and, if applicable, an employee of the permit holder, an administrative penalty for a violation of the tobacco retail laws.

This bill would increase the penalty that may be assessed.

Under existing law, all fines collected by the ABC Board for the enforcement of the tobacco retail laws are distributed to the General Fund.

This bill would create the Tobacco Licensing and Compliance Fund in the State Treasury and would distribute all fines, fees, and other funds collected in the administration and enforcement of the tobacco retail laws to the fund and provide for its administration.

This bill would further provide for the membership of the advisory board to the Alcoholic Beverage Control Board.

Under existing law, a minor under 21 years of age who possesses any tobacco, tobacco product, alternative nicotine product, electronic delivery system, or false proof of identification shall be issued a uniform nontraffic citation and fined.





This bill would increase the fine for a violation and would require the minor's driver license to be suspended on a third or subsequent conviction.

This bill would increase the authorized administrative penalty for certain tobacco advertising violations.

Under existing law, the Department of Revenue maintains a directory listing all e-liquid manufacturers and manufacturers of alternative nicotine authorized to be distributed in the state.

This bill would require a manufacturer to meet certain requirements before being approved for the directory.

This bill would also further provide for the requirement to post signage warning of the dangers of tobacco product use by tobacco retailers.

This bill would provide rulemaking authority.

Section 111.05 of the Constitution of Alabama of 2022, prohibits a general law whose purpose or effect would be to require a new or increased expenditure of local funds from becoming effective with regard to a local governmental entity without enactment by a 2/3 vote unless: it comes within one of a number of specified exceptions; it is approved by the affected entity; or the Legislature appropriates funds, or provides a local source of revenue, to the entity for the purpose.

The purpose or effect of this bill would be to



require a new or increased expenditure of local funds within the meaning of the amendment. However, the bill does not require approval of a local governmental entity or enactment by a 2/3 vote to become effective because it comes within one of the specified exceptions contained in the amendment.

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A BILL

TO BE ENTITLED

AN ACT

Relating to the Alcoholic Beverage Control Board; to amend Sections 28-11-2, 28-11-3, 28-11-5, 28-11-6.1, 28-11-7, 28-11-9, 28-11-10, 28-11-12, 28-11-13, 28-11-14, 28-11-16, 28-11-17.1, and 28-11-18, Code of Alabama 1975, to revise the definition of "electronic nicotine delivery system" to include delivery of substances other than tobacco; to further provide for the sale of tobacco and other related products to minors; to further provide for the distribution of tobacco products through a vending machine; to provide fees for the retail sale of certain tobacco products; to increase penalties for certain violations; to establish the Tobacco Licensing and Compliance Fund in the State Treasury and provide for its administration; to further provide for the membership of the advisory board to the Alcoholic

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113 Beverage Control Board; to further provide for the requirement of tobacco retailers to post signage 114 115 warning of the dangers of tobacco product use; to 116 require the board to adopt rules; to repeal Sections 28-11-15 and 28-11-19, Code of Alabama 1975, and in 117 connection therewith would have as its purpose or 118 119 effect the requirement of a new or increased 120 expenditure of local funds within the meaning of Section 111.05 of the Constitution of Alabama of 2022. 121

- 122 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
- 123 Section 1. Sections 28-11-2, 28-11-3, 28-11-5,
- 124 28-11-6.1, 28-11-7, 28-11-9, 28-11-10, 28-11-12, 28-11-13,
- 125 28-11-14, 28-11-16, 28-11-17.1, and 28-11-18, Code of Alabama
- 126 1975, are amended to read as follows:
- 127 "\$28-11-2
- 128 For purposes of this chapter, the following terms have
- the following meanings unless the context clearly indicates
- 130 otherwise:
- 131 (1) ALTERNATIVE NICOTINE PRODUCT. The term alternative
- 132 nicotine product includes any product that consists of or
- 133 contains nicotine that can be ingested into the body by
- 134 chewing, smoking, absorbing, dissolving, inhaling, snorting,
- sniffing, or by any other means. The term does not include a
- 136 tobacco product, electronic nicotine delivery system, or any
- 137 product that has been approved by the United States Food and
- 138 Drug Administration for sale as a tobacco cessation product or
- for other medical purposes and that is being marketed and sold
- 140 solely for that purpose.



- 141 (2) BOARD. The Alabama Alcoholic Beverage Control
 142 Board.
- 143 (3) CHILD-RESISTANT PACKAGING. Liquid nicotine
- 144 container packaging meeting the requirements of 15 U.S.C. §
- 145 1472a.
- 146 (4) COMMISSIONER. The Commissioner of the Department of
- 147 Revenue.
- 148 (5) DELIVERY SALE OF ELECTRONIC NICOTINE DELIVERY
- 149 SYSTEMS OR ALTERNATIVE NICOTINE PRODUCTS. The same meaning as
- in defined in Section 13A-12-3.1. The term also includes the
- delivery sale of e-liquids.
- (5) (6) DISTRIBUTION. To sell, barter, exchange, or give
- 153 tobacco or tobacco products for promotional purposes or for
- 154 gratis.
- 155 (6) (7) ELECTRONIC NICOTINE DELIVERY SYSTEM. Any
- 156 electronic device that uses a battery and heating element in
- 157 combination with an e-liquid or tobacco, or substitutes
- 158 thereof, to produce a vapor that delivers nicotine or other
- 159 substances to the individual inhaling from the device to
- 160 simulate smoking, and includes, but is not limited to,
- 161 products that may be offered to, purchased by, or marketed to
- 162 consumers as an electronic cigarette, electronic cigar,
- 163 electronic cigarillo, electronic pipe, electronic hookah, vape
- 164 pen, vape tool, vaping device, or any variation of these
- 165 terms. The term also includes any e-liquid intended to be
- 166 vaporized in any device included in this subdivision.
- 167 (8) ELECTRONIC NICOTINE DELIVERY SYSTEM RETAILER.
- 168 Any retail business which offers for sale electronic nicotine



169 delivery systems.

(8) (9) E-LIQUID. A liquid that contains nicotine or other substances and may include flavorings or other ingredients that are intended for use in an electronic nicotine delivery system.

(9) (10) E-LIQUID MANUFACTURER. Any person who manufactures, fabricates, assembles, processes, mixes, prepares, labels, repacks, or relabels an e-liquid to be sealed in final packaging intended for consumer use. This term includes an owner of a brand or formula for an e-liquid who contracts with another person to complete the fabrication and assembly of the product to the brand or formula owner's standards.

(11) E-LIQUID OR TOBACCO SUBSTITUTE. Products that may be used in conjunction with an electronic cigarette or other electronic battery-powered device to deliver nicotine or other substances, including, but not limited to CBD oil, THC oil, herbal extracts, and nicotine salts, or analogs thereof, into the body through the inhalation of vapor.

 $\frac{(10)}{(12)}$ FDA. The United States Food and Drug Administration.

(11) (13) LIQUID NICOTINE CONTAINER. A bottle or other container of a liquid product that is intended to be vaporized and inhaled using an electronic nicotine delivery system. The term does not include a container holding liquid that is intended for use in a vapor product if the container is pre-filled and sealed by the manufacturer and is not intended to be opened by the consumer.





- 197 $\frac{(12)}{(14)}$ MINOR. Any individual under the age of 19 21 years of age.
- (13) (15) PERSON. Any natural person, firm, partnership, association, company, corporation, or other entity. Person does not include a manufacturer or wholesaler of tobacco or tobacco products nor does it include employees of the permit holder.
- (14) (16) PROOF OF IDENTIFICATION. Any one or more of the following documents used for purposes of determining the age of an individual purchasing, attempting to purchase, or receiving tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products:
- a. A valid <u>driver's driver</u> license issued by any state and bearing the photograph of the presenting individual.
 - b. United States Uniform Service Identification.
- c. A valid passport.

- 213 d. A valid identification card issued by any state
 214 agency for the purpose of identification and bearing the
 215 photograph and date of birth of the presenting individual.
- e. For legal mail order purposes only, a valid signed certification that will verify the individual is 21 years of age or older.
- 219 (15) (17) RESPONSIBLE VENDOR PROGRAM. A program
 220 administered by the board to encourage and support vendors in
 221 training employees in legal and responsible sales practices.
- 222 (16) (18) SAMPLER. Any business or person who
 223 distributes tobacco or tobacco products for promotional
 224 purposes.

225	(17) (19) SELF-SERVICE DISPLAY. A display that contains
226	tobacco or tobacco products and is located in an area openly
227	accessible to purchasers at retail and from which the
228	purchasers can readily access tobacco or tobacco products
229	without the assistance of the tobacco permit holder or an
230	employee of the permit holder. A display case that holds
231	tobacco or tobacco products behind locked doors does not
232	constitute a self-service display.
233	(18) (20) SPECIALTY RETAILER OF ELECTRONIC NICOTINE
234	DELIVERY SYSTEMS. A business establishment at which any of the
235	following are true:
236	a. The trade name includes the words vape, vapor, or
237	any variation of the terms which may indicate that the
238	business sells electronic nicotine delivery systems or
239	alternative nicotine products.
240	a. b. The sale of electronic nicotine delivery systems
241	accounts for more than 35 percent of the total quarterly gross
242	receipts for the establishment The provided list of intended
243	inventory includes 50 percent or more of electronic nicotine
244	delivery systems or alternative nicotine products, or both, by
245	quantity, by value, or both.
246	c. At any time after a permit has been issued, the
247	inventory maintained by the business includes 50 percent or
248	more of electronic nicotine delivery systems or alternative
249	nicotine products, or both, by quantity, by value, or both.
250	b.d. Twenty percent or more of the public retail floor

b.d. Twenty percent or more of the public retail floor 251 space is allocated for the offering, displaying, or storage of 252 electronic nicotine delivery systems.

e.e. Twenty percent or more of the total shelf space,
including retail floor shelf space and shelf space in areas
accessible only to employees, is allocated for the offering,
displaying, or storage of electronic nicotine delivery
systems.

- d.f. The retail space features a self-service display for electronic nicotine delivery systems.
- 260 <u>e.g.</u> Samples of electronic nicotine delivery systems are offered to customers.
 - f.h. Liquids intended to be vaporized through the use of an electronic nicotine delivery system are may be produced at the facility or are may be produced by the owner of the establishment or any of its agents or employees for sale at the establishment.
 - (19) (21) TOBACCO or TOBACCO PRODUCT. Any product made or derived from tobacco that is intended for human consumption, including any component, part, or accessory of a tobacco product, except for raw materials other than tobacco used in manufacturing a component, part, or accessory of a tobacco product, but does not include an article that is a drug under Section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act, a device under Section 201(h) of the Federal Food, Drug, and Cosmetic Act, or a combination product described in Section 503(g) of the Federal Food, Drug, and Cosmetic Act.
- 278 (20) (22) TOBACCO PERMIT. A permit issued by the board to allow the permit holder to engage in the distribution of tobacco, tobacco products, electronic nicotine delivery



systems, or alternative nicotine products at the location identified in the permit.

(21) (23) TOBACCO SPECIALTY STORE. A business that derives at least 75 percent of its revenue from tobacco or tobacco products."

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The board, in conjunction with federal, state, and local law enforcement agencies, shall enforce state and federal laws that prohibit the distribution of tobacco, tobacco products, alternative nicotine products, and electronic nicotine delivery systems to individuals under the age of 21 years. Notwithstanding the foregoing, for purposes of inspections and enforcement actions undertaken pursuant to this section, individuals under the age of 21 years may be enlisted to attempt to purchase or purchase tobacco, tobacco products, alternative nicotine products, and electronic nicotine delivery systems, provided that individuals under the age of 18 years shall have the prior written consent of a parent or legal quardian, and provided further that the individuals shall be directly supervised during the conduct of each inspection or enforcement action by an enforcement agent of the board or a law enforcement officer, or by a sheriff or head of police of any county, city, town, or other political subdivision, or by a deputy or officer thereof. No individual under the age of 21 years may misrepresent his or her age for the purpose of purchasing or attempting to purchase tobacco, tobacco products, alternative nicotine products, or electronic nicotine delivery systems. If questioned about his or her age

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during an attempt to purchase or receive tobacco, tobacco products, alternative nicotine products, or electronic nicotine delivery systems, an individual under the age of 21 years shall state his or her true age. A photograph or video recording of any individual under the age of 21 years assisting in an inspection or enforcement action shall be taken prior to the investigation. The appearance of an individual under the age of 21 years participating in an inspection or enforcement action shall not be altered at the time of the inspection."

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The board may use funding, if available, from the Department of Mental Health, other state or federal agencies, grants, and private or public organizations to enforce this chapter and to provide and distribute prevention materials related to tobacco, tobacco products, alternative nicotine products, and electronic nicotine delivery systems and nicotine prevention materials to retail tobacco merchants and specialty retailers of electronic nicotine delivery systems. The materials shall provide information regarding state and federal laws that prohibit access to tobacco, tobacco products, alternative nicotine products, and electronic nicotine delivery systems by individuals under the age of 21 years and other appropriate information. The board may also provide consultation services for establishing programs to minimize or eliminate sales of tobacco, tobacco products, alternative nicotine products, and electronic nicotine delivery systems to individuals under the age of 21 years



337 pursuant to the responsible vendor program."

338 "\$28-11-6.1

- (a) No tobacco, tobacco product, alternative nicotine product, or electronic nicotine delivery system shall be distributed by use of a vending machine unless the machine.
- 342 (1) Is is located in an area in which individuals under
 343 the age of 21 years are not permitted access; or
 - (2) Dispenses tobacco, tobacco products, alternative nicotine products, or electronic nicotine delivery systems through the operation of a device that requires the tobacco permit holder or an employee of the permit holder to control the distribution of the product.
 - (b) No tobacco, tobacco product, alternative nicotine product, or electronic nicotine delivery system shall be distributed at retail by use of a vending machine if placed together with any non-tobacco product or non-nicotine product, other than matches, in the machine."

354 "\$28-11-7

- (a) Any person who distributes tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products within this state shall first obtain a permit from the board for each location of distribution. There is no fee for the permit. Upon application, there shall be a one-time, nonrefundable filing fee of fifty dollars (\$50), in addition to a permit fee of one hundred fifty dollars (\$150), which shall be renewed annually. The fees collected under this subsection shall be distributed as follows:
 - (1) Seventy-five percent of these funds shall be



365 <u>deposited into the Tobacco Licensing and Compliance Fund to be</u>
366 <u>used for operational costs of enforcing this chapter and</u>
367 tobacco and nicotine prevention education.

- (2) Twenty-five percent shall be deposited into the Public Safety Fund of the Alabama State Law Enforcement Agency to be used for the enforcement of this chapter.
- (b) (1) Any person who maintains No person may maintain a tobacco, tobacco product, electronic nicotine delivery system, or alternative nicotine product vending machine on his or her property in this state shall first obtain a permit from the board for each machine at each machine location. The permit for each machine shall be posted in a conspicuous place on the machine. unless the person is a permit holder of the board and the vending machine is located on the permitted premises of the permit holder.
- (2) On any application for a permit, the applicant shall document the location of any vending machine on the premises to be permitted.
- (3) A current permit holder in good standing with the board, after notification to the board, may place a machine on the permitted premises of the permit holder.
- 386 (c) A permit shall be valid only for the location 387 <u>address</u> specified in the permit application.
- 388 (d) A permit is not transferable or assignable and
 389 shall be renewed annually. Notwithstanding the foregoing, if
 390 If a location for which a permit is has been obtained is sold
 391 or transferred, the permit, after submission of an application
 392 to transfer and a transfer fee of fifty dollars (\$50), shall



393	<pre>may be transferred to the person obtaining control of the</pre>
394	location and shall be valid for 30 days after the transfer
395	during which time a new permit shall be obtained, subject to
396	approval by the board. The transferee shall meet any
397	requirements, established by rule of the board, required for a
398	permit holder. The permitted transfer shall be effective for
399	the duration of the license year, and the transferee shall
400	renew the permit annually as provided in subsection (a).

- (e) If feasible, the board by rule may adopt procedures for the issuance and renewal of permits which combine tobacco permit procedures with the application and licensing procedures for alcoholic beverages."
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- 406 (a) Subject to the Alabama Administrative Procedure
 407 Act, Chapter 22 of Title 41, the board shall have full and
 408 final authority as to the suspension or revocation for cause
 409 of any permit issued pursuant to this chapter.
- 410 (1) The board may appoint a hearing commission of at 411 least three persons which may do all of the following:
- 412 a. Hear and decide all contested applications for 413 permits.
- b. Hear and decide all charges against any permit

 holder or employee of a permit holder for violations of this

 chapter, the law, or the rules of the board.
- c. Revoke or suspend permits as provided in this chapter.
- d. Levy administrative fines upon permit holders or employees of permit holders.



- 421 (2) No member of the hearing commission shall
 422 participate in the hearing or disposition of any application
 423 for a permit or charge against a permit holder or an employee
 424 of a permit holder if he or she has an interest therein or was
 425 involved in the investigation.
- 426 (b) The board, or a hearing commission appointed by the 427 board, upon finding that a permit holder or any partner, 428 member, employee, officer, or director of the permit holder 429 has violated any of the laws of this state or the United States relating to the manufacture, sale, possession, or 430 431 transportation of tobacco, tobacco products, electronic 432 nicotine delivery systems, or alternative nicotine products, 433 or that the permit holder has acted in a manner prejudicial to 434 the welfare, health, peace, temperance, and safety of the 435 people of the community or of the state, may upon due notice 436 and hearing, levy administrative fines or suspend or revoke 437 the permit issued by the board, or a combination of all three. 438 In all cases where the board or hearing commission shall levy 439 an administrative fine or suspend or revoke a permit, it shall 440 set forth its findings of fact, the evidence from which the 441 findings of facts are made, and the reasons upon which its 442 actions are based.
 - (c) The fines as specified in subsection (e) shall be applicable per each violation. The permit holder or employee shall remit the administrative fine to the board within seven calendar days from the day that the administrative fine is levied. Failure by the permit holder to pay the administrative fine within that time period shall result in an automatic

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suspension of the permit until the administrative fine is paid.

- (d) The maximum length of suspension of a permit pursuant to this chapter shall be one year. A permit holder shall be ineligible to hold a permit pursuant to this chapter for the location where the violation occurred until the expiration or removal of the suspension. A permit holder whose permit is revoked by the board or the hearing commission shall be, at the discretion of the board or hearing commission, ineligible to hold a permit pursuant to this chapter until the expiration of one year from the date the permit is revoked at the location where the violation occurred.
- (e) The following administrative fines may be levied for violations of this chapter against valid permit holders or employees, or both:
- (1) Upon conviction for For a first violation by the permit holder or an employee of the permit holder, the board or hearing commission may offer the permit holder an opportunity to provide training sessions administered by the Responsible Vendor Program in lieu of an administrative fine upon the permit holder and the employee, if the violation is by an employee, of not more than two hundred dollars (\$200) five hundred dollars (\$500).
- (2) Upon conviction of For a second violation at the same location within a two-year four-year period, the board or hearing commission may levy an administrative fine upon the permit holder and the employee, if the violation is by an employee, of not more than four hundred dollars (\$400) seven





hundred fifty dollars (\$750).

- (3) Upon conviction of a third or subsequent violation at the same location within a two-year period, the board or hearing commission may levy an administrative fine upon the permit holder and the employee, if the violation is by an employee, of not more than seven hundred fifty dollars (\$750).
- (4) (3) Upon conviction of For a fourth third or subsequent violation at the same location within a two-year four-year period, the board or hearing commission may levy an administrative fine upon the permit holder and the employee, if the violation is by an employee, of not more than one thousand dollars (\$1,000) and may suspend or revoke the permit.
- (f) Before imposition of any administrative fine, the permit holder shall be afforded all procedural rights to due process in addition to those rights guaranteed by the Alabama Administrative Procedure Act, Chapter 22 of Title 41."

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(a) The Tobacco Licensing and Compliance Fund is hereby created in the State Treasury. The fund shall be administered by the Licensing and Compliance Division of the board. All fees and other funds collected by the board pursuant to this chapter shall be deposited into the State General FundState Treasury to the credit of the fund. Amounts deposited into the fund shall be budgeted and allotted in accordance with Sections 41-4-80 through 41-4-96 and Sections 41-19-1 through 41-19-12, Code of Alabama 1975. Monies in the fund shall be used by the Licensing and Compliance Division of the board for



505	tobacco and nicotine prevention education, operational costs
506	associated with regulating permitted locations, and the
507	enforcement of this chapter."
508	" §28-11-12
509	(a) An advisory board shall be established to monitor
510	the implementation of this chapter. The advisory board shall
511	meet at least quarterly. Representation shall consist of one
512	representative from each of the following:
513	(1) The Office of the Governor.
514	(2) The Office of the Attorney General.
515	(3) The Department of Mental Health.
516	(4) The Department of Public Health.
517	(5) The Alcoholic Beverage Control Board.
518	(6) The Senate as appointed by the Lieutenant Governor.
519	(7) The House of Representatives as appointed by the
520	Speaker of the House of Representatives.
521	(8) The Alabama Oilmen's Association and the Alabama
522	Convenience Store Operators Petroleum & Convenience Marketers
523	of Alabama Association as appointed by the Governor and
524	selected from three nominees submitted by the association.
525	(9) The Alabama Retail Association as appointed by the
526	Governor and selected from three nominees submitted by the
527	association.
528	(10) The Alabama Grocers' Association as appointed by
529	the Governor and selected from three nominees submitted by the
530	association.
531	(11) The Alabama State Law Enforcement Agency.

(12) The Department of Revenue.



(b) The membership of the advisory board shall be inclusive and reflect the racial, gender, geographic, urban/ruralurban, rural, and economic diversity of the state.

- (c) The chair of the advisory board shall be a representative from the board who shall be responsible for the conduct of the meetings and any correspondence derived therefrom.
 - (d) Other than the legislative appointees, each representative shall be appointed by his or her respective department head, and shall hold the appointment for a one-year term.
- (e) A representative may be reappointed as deemed appropriate by his or her department head, or in the case of legislative appointees, the Lieutenant Governor or Speaker of the House of Representatives.
- (f) The advisory board may issue written
 recommendations for program modification to the board."

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 - (a) (1) It is unlawful for any individual under the age of 21 years to purchase, use, possess, or transport tobacco, a tobacco product, an electronic nicotine delivery system, or an alternative nicotine product within this state.
 - (2) It shall not be unlawful for Notwithstanding subdivision (1), an individual under the age of 21 years who is an employee of a tobacco, tobacco product, electronic nicotine delivery system, or alternative nicotine product permit holder to may handle, transport, or sell tobacco, a tobacco product, an electronic nicotine delivery system, or an



alternative tobacco product, <u>if provided</u> the employee is acting within the line and scope of employment and the permit holder, or an employee of the permit holder who is 21 years of age or older, is present.

- (b) It is unlawful for any individual under the age of 21 years to present or offer to another person proof of identification which is false, fraudulent, or not actually his or her own proof of identification in order to buy, receive, or otherwise obtain, or attempt to buy, receive, or otherwise obtain, any tobacco, tobacco product, electronic nicotine delivery system, or alternative nicotine product.
- 572 (c) If a minor an individual under 19 years of age is
 573 cited for any violation under this section, the citing agency
 574 shall make reasonable efforts to notify a parent, legal
 575 guardian, or legal custodian of the minor individual that the
 576 individual was cited for the violation. unless This subsection
 577 does not apply the minor if the individual has been
 578 emancipated by court order or operation of law."

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- (a) (1) Any tobacco, tobacco product, alternative nicotine product, electronic nicotine delivery system, or false proof of identification found in the possession of an individual under the age of 21 years is contraband and subject to seizure by agents of the board or any law enforcement officer.
 - (2) Prohibited tobacco, tobacco products, electronic nicotine delivery systems, and alternative nicotine products kept, stored, or deposited in any place in this state for the



purpose of unlawful sale or unlawful disposition or unlawful
furnishing or distribution, and the vessels and receptacles in
which the products are contained, are declared to be
contraband and shall be seized and forfeited to the state and
may be condemned for destruction pursuant to the procedures of
Article 11 of Chapter 4.

- (3) Prohibited tobacco, tobacco products, electronic nicotine delivery systems, and alternative nicotine products may be searched for, seized, and ordered to be destroyed pursuant to the procedures of Article 11 of Chapter 4.
- (b) In any criminal prosecutions against a person for a violation of this chapter, on conviction, the court may order the destruction of any prohibited tobacco, tobacco products, electronic nicotine delivery systems, and alternative nicotine products which were (i) sold, offered for sale, possessed, or otherwise disposed of by the defendant, (ii) employed by the defendant for use or disposition at any unlawful establishment by the defendant, (iii) possessed or used in conducting the business of a tobacco dealer, or (iv) used as evidence in the case.
- (c) All fixtures, equipment, materials, and personal property used in substantial connection with the sale or possession of tobacco, tobacco products, electronic nicotine delivery systems, and alternative nicotine products involved in a knowing and intentional violation of this article shall be subject to the same seizure and forfeiture procedures as provided pursuant to Article 11 of Chapter 4.
 - (d) The board shall dispose of electronic nicotine

617	delivery systems and alternative nicotine products seized
618	under this section by destruction as provided by rule of the
619	board. Any person from whom an electronic nicotine delivery
620	system or alternative nicotine product is seized and
621	destroyed pursuant to this section shall be subject to a fee,
622	to be determined based on the cost of the destruction and
623	disposal of the electronic nicotine delivery system or
624	alternative nicotine product as hazardouse waste.
625	(e)(1) Any individual under the age of who is 18 or
626	more years of age but under 21 years of ageviolating who
627	<u>violates</u> Section 28-11-13 shall be issued a citation similar
628	to a uniform nontraffic citation and shall be fined not less
629	than ten dollars (\$10) fifty dollars (\$50) nor more than fifty
630	dollars (\$50) two hundred dollars (\$200) for each violation,
631	and shall be assessed no other court costs or fees. In
632	addition, on a third or subsequent conviction, including
633	convictions in district court or municipal court, the court
634	shall forward a record of the applicable convictions to the
635	Secretary of the Alabama State Law Enforcement Agency and the
636	secretary shall suspend the driving privileges or driver
637	license of the individual for a period of not less than three
638	months nor more than six months.
639	$\frac{\text{(b)}}{\text{(2)}}$ Notwithstanding any other provision of law, the
640	disposition of any violation of Section 28-11-13 for any
641	individual 18 or more years of age but under 21 years of age
642	shall be within the jurisdiction of the district or municipal
643	court and not the juvenile court. Violations shall not be
644	considered criminal offenses and shall be administratively



645 adjudicated by the district or municipal court.

- (f) Any individual under 18 years of age who violates

 Section 28-11-13 shall be adjudicated to have committed a

 delinquent act, as defined under Section 12-15-102, and shall

 be fined not less than fifty dollars (\$50) nor more than two

 hundred dollars (\$200). The disposition of the individual

 shall be subject to the exclusive jurisdiction of the juvenile

 court."
- 653 "\$28-11-16

- (a) (1) A retailer or manufacturer of electronic nicotine delivery systems or alternative nicotine products may not advertise an electronic nicotine delivery system or an alternative nicotine product in any of the following ways:
 - a. As a tobacco cessation product.
- b. As a healthier alternative to smoking.
- c. As available for purchase in any variety of flavors other than tobacco, mint, or menthol on any outdoor billboard.
- d. On any outdoor billboard located within 1,000 feet of any public or private K-12 school or public playground.
 - (2) Paragraphs a. and b. of subdivision (1) are not applicable to products that have received an order from the FDA permitting the product to be marketed as a modified risk tobacco product, and are marketed in accordance with that order.
- (b) (1) A specialty retailer of electronic nicotine
 delivery systems or manufacturer of tobacco, tobacco products,
 electronic nicotine delivery systems, or alternative nicotine
 products may not in any way sponsor, finance, or advertise a



scholarship of any kind using the brand name of any tobacco product, alternative nicotine product, or electronic nicotine delivery system.

- delivery systems or manufacturer of tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products may not use the brand name of any tobacco product, alternative nicotine product, or electronic nicotine delivery system to advertise at or sponsor any event at a stadium, concert, sporting event, or other public performance event for which individuals aged 21 years or older make up less than 85 percent of the total age demographic of performing participants individuals performing at the event.
- (3) A specialty retailer of electronic nicotine delivery systems or manufacturer of tobacco, tobacco products, electronic nicotine delivery systems, or alternative nicotine products may not advertise a tobacco product, electronic nicotine delivery system, or alternative nicotine product in a newspaper, magazine, periodical, or other print or digital publication distributed in this state for which less than 85 percent of the viewership or readership of the publication is made up of individuals 21 years of age or older as measured by competent and reliable survey evidence.
- (c) (1) A violation of subsection (a) or subsection (b) shall result in a one hundred dollar (\$100) three hundred dollar (\$300) fine for the first occurrence.
- 699 (2) A second or subsequent violation of subsection (a)
 700 or subsection (b) shall result in a <u>five hundred dollar (\$500)</u>



- 701 seven hundred fifty dollar (\$750) fine per occurrence.
- 702 (3) Each day a violation of subsection (a) or
 703 subsection (b) persists shall constitute a separate and
 704 subsequent violation.
- 705 (d) A retailer or manufacturer of tobacco, tobacco
 706 products, electronic nicotine delivery systems, or alternative
 707 nicotine products may not advertise, market, or offer for sale
 708 tobacco, a tobacco product, an electronic nicotine delivery
 709 system, or an alternative nicotine product in any of the
 710 following ways:
- (1) By using, in the labeling or design of the product,
 its packaging, or in its advertising or marketing materials,
 the terms "candy" or "candies," any variant of these words, or
 any other term referencing a type or brand of candy, including
 types or brands of candy that do not include the words "candy"
 or "candies" in their names or slogans.
- 717 (2) By using, in the labeling or design of the product, 718 its packaging, or in its advertising or marketing materials, 719 the terms "cake" or "cakes" or "cupcake" or "cupcakes" or 720 "pie" or "pies," any variant of these words, or any other term 721 referencing a type or brand of cake, pastry, or pie, including 722 types or brands of cakes, pastries, or pies that do not 723 include the words "cake" or "cakes" or "cupcake" or "cupcakes" 724 or "pie" or "pies" in their names or slogans.
- 725 (3) By using, in the labeling or design of the product, 726 its packaging, or in its advertising or marketing materials, 727 trade dress, trademarks, branding, or other related imagery 728 that imitates or replicates those of food brands or other



related products that are marketed to minors, including, but
not limited to, breakfast cereal, cookies, juice drinks, soft
drinks, frozen drinks, ice creams, sorbets, sherbets, and
frozen pops.

- (4) By using, in the labeling or design of the product, its packaging, or in its advertising or marketing materials, trade dress, trademarks, branding, or other related imagery that depicts or signifies characters or symbols that are known to appeal primarily to minors, including, but not limited to, superheroes, comic book characters, video game characters, television show characters, movie characters, mythical creatures, unicorns, or that otherwise incorporates related imagery or scenery.
- (e) The board may adopt rules to implement this section, including rules regarding the suitability of labels and procedures to reject advertising that appeals to minors, including, but not limited to, the design of a product, its packaging, or its advertising or marketing materials, trade dress, trademarks, branding, or other related imagery.
- (f) Any item found in violation of subsection (d) is a prohibited item and shall be considered contraband and may be seized as provided by Section 28-11-14 by an agent of the board or any law enforcement officer."
- 752 "\$28-11-17.1

753 (a) (1) <u>Beginning March 1, 2022, or other date not Not</u>
754 more than 30 days following a premarket tobacco application
755 submission deadline issued by the FDA, whichever is later,
756 every e-liquid manufacturer and manufacturer of alternative



- 757 nicotine products whose products are sold in this state,
- 758 whether directly or through a distributor, retailer, or
- 759 similar intermediary or intermediaries, shall execute and
- 760 deliver on a form prescribed by the commissioner, a
- 761 certification to the commissioner certifying, under penalty of
- 762 perjury, that the product does not contain any synthetic
- 763 nicotine or nicotine derived from a source other than tobacco,
- 764 that the product may be lawfully sold and possessed in this
- 765 state, and that either of the following apply:
- 766 a. The product was on the market in the United States
- 767 as of August 8, 2016, and the manufacturer has applied for a
- 768 marketing order pursuant to 21 U.S.C. § 387j for the e-liquid,
- 769 e-liquid in combination with an electronic nicotine delivery
- 770 system, or alternative nicotine product, whichever is
- 771 applicable, by submitting a premarket tobacco product
- application on or before September 9, 2020, to the FDA; and
- 773 either of the following is true:
- 774 1. The premarket tobacco product application for the
- 775 product remains under review by the FDA.
- 776 2. The FDA has issued a no marketing order for the
- 777 e-liquid, e-liquid in combination with an electronic nicotine
- 778 delivery system, or alternative nicotine product, whichever is
- applicable, from the FDA; however, the agency or a federal
- 780 court has issued a stay order or injunction during the
- 781 pendency of the manufacturer's appeal of the no marketing
- 782 order.
- 783 b. The manufacturer has received a marketing order or
- 784 other authorization under 21 U.S.C. § 387j for the e-liquid,



- e-liquid in combination with an electronic nicotine delivery system, or alternative nicotine product, whichever is applicable, from the FDA.
- 788 (2) In addition to the requirements in subdivision (1),
 789 each manufacturer shall provide:
- a. aA copy of the cover page of the premarket tobacco
 application with evidence of receipt of the application by the
 FDA or a copy of the cover page of the marketing order or
 other authorization issued pursuant to 21 U.S.C. § 387j,
 whichever is applicable.

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- b. Information that clearly identifies each product, submission tracking number (STN), product name, product subcategory, characterizing flavor, FDA order date, and type of order.
- (b) Any manufacturer submitting a certification pursuant to subsection (a) shall notify the commissioner within 30 days of any material change to the certification, including issuance by the FDA of any of the following:
- 803 (1) A market order or other authorization pursuant to 804 21 U.S.C. § 387j.
- 805 (2) An order requiring a manufacturer to remove a product from the market either temporarily or permanently.
- 807 (3) Any notice of action taken by the FDA affecting the 808 ability of the new product to be introduced or delivered into 809 interstate commerce for commercial distribution.
- 810 (4) Any change in policy that results in a product no 811 longer being exempt from federal enforcement oversight.
- 812 (c) The commissioner shall develop and maintain a



directory listing all e-liquid manufacturers and manufacturers
of alternative nicotine products that have provided
certifications that comply with subsection (a) and all
products that are listed in those certifications.

- (d) The commissioner shall do all of the following:
- (1) Make the directory available for public inspection on its website by May 1, 2022.
 - (2) Update the directory as necessary in order to correct mistakes and to add or remove e-liquid manufacturers, manufacturers of alternative nicotine products, or products manufactured by those manufacturers consistent with the requirements of subsections (a) and (b) on a monthly basis.
 - (3) Remove from the directory any product that the board determines is a prohibited item pursuant to Section 28-11-16(d).
 - (3) (4) Send monthly notifications to each wholesaler, jobber, semijobber, retailer, importer, or distributor of tobacco products that have qualified or registered with the Department of Revenue, by electronic communication, containing a list of all changes that have been made to the directory in the previous month. In lieu of sending monthly notifications, the commissioner may make the information available in a prominent place on the Department of Revenue's public website.
 - (4) (e) Information required to be listed in the directory shall not be subject to the confidentiality and disclosure provisions in Section 40-2A-10.
- 839 (e) (f) Notwithstanding subsection (a), if an e-liquid 840 manufacturer or manufacturer of alternative nicotine products

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can demonstrate to the commissioner that the FDA has issued a rule, guidance, or any other formal statement that temporarily exempts a product from the federal premarket tobacco application requirements, the product may be added to the directory upon request by the manufacturer if the manufacturer provides sufficient evidence that the product is compliant with the federal rule, guidance, or other formal statement, as applicable.

(f) (g) Each certifying e-liquid manufacturer and manufacturer of alternative nicotine products shall pay an initial fee of two thousand dollars (\$2,000) to offset the costs incurred by the department for processing the certifications and operating the directory. The commissioner shall collect an annual renewal fee of five hundred dollars (\$500) to offset the costs associated with maintaining the directory and satisfying the requirements of this section. The fees received under this section by the department shall be used by the department exclusively for processing the certifications and operating and maintaining the directory. After the payment of these expenses, two-thirds one-half of the remaining funds shall be deposited into the State General Fund, and the remaining one-third one-half shall be distributed evenly to the Alabama State Law Enforcement Agency and to the Licensing and Compliance Division of the board to be used for the enforcement of this chapter.

(g) (h) Beginning on September 1, 2021, no e-liquid, e-liquid in combination with an electronic nicotine delivery system, or alternative nicotine product that, in the case of

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any such product, contains synthetic nicotine or nicotine derived from a source other than tobacco may be sold or otherwise distributed in this state without first obtaining approval from the FDA for sale as a drug under Section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act, a device under Section 201(h) of the Federal Food, Drug, and Cosmetic Act, a combination product described in Section 503(g) of the Federal Food, Drug, and Cosmetic Act, or some other medical purpose.

(h)(i)(1) Beginning May 1, 2022, or on the date that the Department of Revenue first makes the directory available for public inspection on its website as provided in subsection (d), whichever is later, an An e-liquid manufacturer or manufacturer of alternative nicotine products or electronic nicotine delivery systems who offers for sale a product not listed on the directory is subject to a one thousand dollars (\$1,000) daily fine for each product offered for sale in violation of this section until the offending product is removed from the market or until the offending product is properly listed on the directory. For purposes of this subdivision, "sale" includes a delivery sale of e-liquids or electronic nicotine delivery systems or alternative nicotine products, as defined under this chapter.

- (2) Any other violation of this section shall result in a fine of five hundred dollars (\$500) per offense.
- (j) (1) When any retail permit holder offers for sale a product not listed on the directory, the board shall assess the following administrative penalties:

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897	a. For a first offense within a four-year period, an
898	administrative penalty of five hundred dollars (\$500).
899	b. For a second offense within a four-year period, an
900	administrative penalty of seven hundred fifty dollars (\$750).
901	c. For a third or subsequent offense within a four-year
902	period, an administrative penalty of one thousand dollars
903	(\$1,000). In addition, the board may suspend or revoke the
904	permit of the permit holder.
905	(2) All products offered for sale and not listed on the
906	directory shall be considered a prohibited item and declared
907	to be contraband and may be seized and forfeited as provided
908	in Section 28-11-14 by agents of the board or any law
909	enforcement officer.
910	(i) (k) The commissioner Alcoholic Beverage Control
911	Board and the Commissioner of Revenue shall adopt rules for
912	the implementation and enforcement of this section."
913	" §28-11-18
914	(a) All liquid nicotine containers offered for sale
915	that are intended to be vaporized in an electronic nicotine
916	delivery system shall be contained in child-resistant
917	packaging.
918	(b) A specialty retailer of tobacco, tobacco products,
919	<u>alternative nicotine products</u> , <u>or</u> electronic nicotine delivery
920	systems shall display in a prominent area of the retail store
921	near the point of sale, a an 8 1/2 x 11 inch sign or signs
922	<pre>containingwhich contains the following statements:</pre>
923	(1) "ALABAMA LAW STRICTLY PROHIBITS THE PURCHASE OF
924	TOBACCO, TOBACCO PRODUCTS, ALTERNATIVE NICOTINE PRODUCTS, AND



925	ELECTRONIC NICOTINE DELIVERY SYSTEMS BY PERSONS UNDER THE AGE
926	OF 21 YEARS. PROOF OF AGE IS REQUIRED."
927	(2) "THE USE OF SOME VAPING DEVICES MAY INCREASE YOUR
928	RISK OF EXPOSURE TO POTENTIALLY TOXIC LEVELS OF HEAVY METALS
929	SUCH AS LEAD, CHROMIUM, AND NICKEL."
930	(3) (2) "WARNING: TOBACCO, TOBACCO PRODUCTS, ALTERNATIVE
931	NICOTINE PRODUCTS, ELECTRONIC NICOTINE DELIVERY SYSTEMS, AND
932	VAPING PRODUCTS OFFERED FOR SALE IN THIS STORE CONTAIN
933	NICOTINE UNLESS OTHERWISE MARKED. NICOTINE IS A HIGHLY
934	ADDICTIVE CHEMICAL WHICH CAN HARM BRAIN DEVELOPMENT IN
935	CHILDREN AND ADOLESCENTS AND WHICH POSES SERIOUS HEALTH RISKS
936	TO PREGNANT WOMEN AND THEIR BABIES."
937	(c) In addition to the requirements of subsection (b),
938	a retailer of alternative nicotine products or electronic
939	nicotine delivery systems shall include the following
940	statement on the required posted sign:
941	"THE USE OF SOME VAPING DEVICES MAY INCREASE YOUR RISK
942	OF EXPOSURE TO POTENTIALLY TOXIC LEVELS OF HEAVY METALS SUCH
943	AS LEAD, CHROMIUM, AND NICKEL."
944	(d) Posted signs required by this section, at a
945	minimum, must accurately list the type of products sold at the
946	retail establishment. If a retailer does not sell all of the
947	product types listed in the statements described in
948	subsections (b) or (c), the retailer may amend the products
949	listed on the sign to accurately reflect the type of products
950	sold."
951	Section 2. The Alcoholic Beverage Control Board shall
952	adont rules to implement and administer Chapter 11 of Title



- 953 28, Code of Alabama 1975.
- 954 Section 3. The following sections of the Code of
- 955 Alabama 1975, are repealed:
- 956 (1) Section 28-11-15, Code of Alabama 1975, relating to
- 957 the posting of signs regarding the sale of tobacco and tobacco
- 958 products.
- 959 (2) Section 28-11-19, Code of Alabama 1975, relating to
- 960 limitations on locations of specialty retailers of electronic
- 961 nicotine delivery systems.
- 962 Section 4. Although this bill would have as its purpose
- or effect the requirement of a new or increased expenditure of
- 964 local funds, the bill is excluded from further requirements
- and application under Section 111.05 of the Constitution of
- 966 Alabama of 2022, because the bill defines a new crime or
- 967 amends the definition of an existing crime.
- 968 Section 5. Section 2 of this act shall become effective
- 969 immediately and the remaining sections of this act shall
- 970 become effective on the first day of the third month following
- 971 its passage and approval by the Governor, or its otherwise
- 972 becoming law.